

Proposed Cajon Project Area

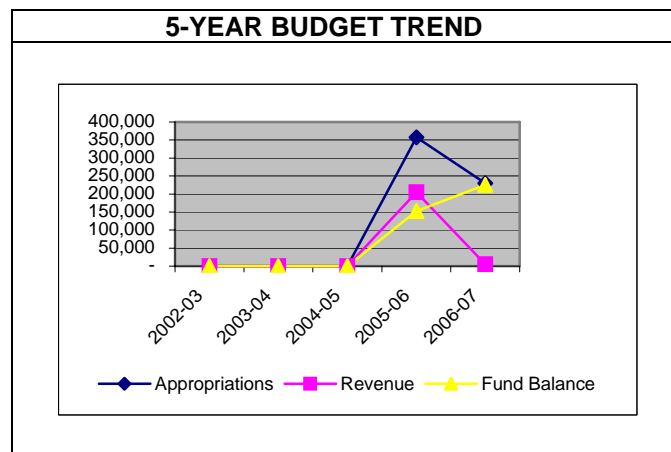
DESCRIPTION OF MAJOR SERVICES

In 2004, the Redevelopment Agency began initial steps toward the creation of a new project area in the Cajon community (areas in and around Muscoy). On August 17, 2004, the Board received and filed the feasibility study concerning a possible redevelopment project area for Cajon. The criteria reviewed in the study were meeting the 80% urbanization criteria under California Redevelopment Law (CRL), meeting the blight conditions under CRL, and being economically feasible as redevelopment project area. The report determined that the Cajon area would qualify as project area. On November 9, 2004, the Board adopted a resolution to begin the process to adopt a Redevelopment Plan for the Cajon area. It is anticipated that this proposed project area, if adopted and the ordinance and redevelopment plan transmitted to the State Board of Equalization before November 30, 2006, will begin to receive tax increment revenue in 2007-08.

Plan preparation expenses are funded through \$500,000 in loans from the county general fund. The loans will be repaid if the project area is established and when the project area generates sufficient tax increment revenues or other financing is available.

There are no budgeted positions assigned to this proposed project area, however administrative and staffing costs are allocated to this project area based on time studies.

BUDGET HISTORY



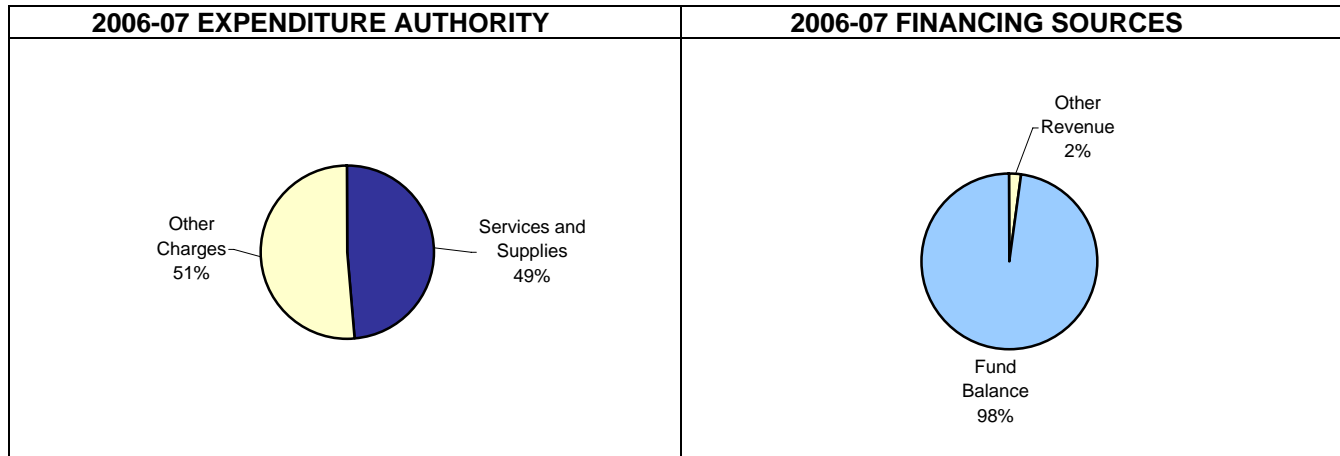
PERFORMANCE HISTORY

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Modified Budget	2005-06 Actual
Appropriation	-	-	150,351	357,304	139,061
Departmental Revenue	-	-	302,655	205,000	211,696
Fund Balance				152,304	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in these funds are typically less than budgeted. The amount not expended in 2005-06 has been re-appropriated in the 2006-07 budget.



ANALYSIS OF FINAL BUDGET



GROUP: Economic Development
 DEPARTMENT: Redevelopment Agency
 FUND: Cajon Proposed Project Area

BUDGET UNIT: SPO MUS
 FUNCTION: General
 ACTIVITY: Other General

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2005-06 Final Budget	2006-07 Final Budget	Change From 2005-06 Final Budget
Appropriation							
Services and Supplies	-	-	93,544	66,543	273,895	111,978	(161,917)
Transfers	-	-	56,807	72,518	83,409	117,960	34,551
Total Appropriation	-	-	150,351	139,061	357,304	229,938	(127,366)
Departmental Revenue							
Use of Money and Prop	-	-	2,655	11,694	5,000	5,000	-
Other Revenue	-	-	-	2	-	-	-
Other Financing Sources	-	-	-	200,000	-	-	-
Total Revenue	-	-	2,655	211,696	5,000	5,000	-
Operating Transfers In	-	-	300,000	-	200,000	-	(200,000)
Total Financing Sources	-	-	302,655	211,696	205,000	5,000	(200,000)
Fund Balance					152,304	224,938	72,634

In 2006-07, the department will incur decreased costs in services and supplies of \$236,913 as a result of one time studies being completed or encumbered in 2005-06 and funding limitations. Transfers to San Sevine to cover allocated staffing and administrative costs associated with the project area are budgeted to increase by \$34,551.

Included with this budget is a policy item requesting a general fund loan of \$60,000 to cover allocated staff time, professional services, and administrative costs. Without this loan there will be insufficient resources to cover all anticipated expenses for the fiscal year 2006-07 to continue consideration of the Proposed Project Area.

FINAL BUDGET CHANGES

Services and supplies increased by \$74,996 due to fund balance being higher than anticipated.

